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TMO Wheat Import Tender Result

Report Categories:

Grain and Feed

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Report Highlights:

A high domestic wheat price led the Turkish Grain Board (TMO) to hold a wheat import tender on January 11, 2011. As a result, TMO will import 240,000 MT of wheat from the U.S., 20,000 MT from Kazakhstan, 20,000 MT from Germany and 20,000 MT from Ukraine. The average tender price was 401.47 USD/MT.

General Information:

The Turkish Ministerial Council had allocated a 1 MMT duty free import quota for wheat to the Turkish Grain Board (TMO) on December 22, 2010 which can be used until December 31, 2011. Then TMO announced on January 04, 2010 that it would import 300,000 MT of high quality wheat under this quota through a tender on January 11, 2011.

TMO plans to sell this imported wheat to Turkish wheat processors such as wheat flour producers.

At the tender held on January 11, 2011, TMO agreed to import 240,000 MT of wheat from the United States, 20,000 MT from Kazakhstan, 20,000 MT from Germany and 20,000 MT from Ukraine. The average price paid was 401.47 USD/MT.

So far, the TMO wheat import decision has not shown any effect on wheat prices so far. The durum wheat price was 397 USD/MT on the Konya Commodity Exchange (CME) on January 05, 2011 and increased to 408 USD/MT on January 19, 2011. The milling wheat price was 446 USD/MT on January 05, 2011 and increased to 467 USD/MT on January 19 in the Konya CME. At the Polatli CME it was 462 USD/MT on January 05, 2011 and increased to 476 USD/MT on January 19.

Recent History of Wheat Tariffs and Tenders

On August 26, 2010, the TMO announced it would allocate an import quota for 330,000 MT of EU wheat to wheat processors. After this allocation the domestic wheat price settled, but did not remain stable.

On September 2, 2010, the TMO announced it would sell 334,000 MT of wheat from its stock to processors. Due to high prices and low and inconsistent quality, TMO only sold 51,000 MT of its wheat stocks at this time.

On December 15, 2010, the TMO announced that it would sell 610,000 MT of wheat from its stocks to processors. TMO only sold 260,000 MT of wheat during this sale. The low demand was again the result of low and inconsistent quality (in terms of protein content) and high prices.

Table 1: Results of TMO import tender held on January 11, 2011

NAME OF COMPANY	QUANTITY (MT)	VALUE (USD/MT)	LOADING PORT	DISCHARGING PORT	COUNTRY OF ORIGIN	LOADING TIME
TIRYAKI AGRO FZE	25,000	394.11 (CFR)	NOLA NEW ORLEANS	MERSIN	U.S.	JAN 20-FEB 15,2011
	25,000	395.11 (CFR)	GALVESTON TEXAS	MERSIN	U.S.	JAN 20-FEB 15,2011
	25,000	395.12 (CFR)	GALVESTON TEXAS	MERSIN	U.S.	JAN 20-FEB 15,2011
	25,000	399.12 (CFR)	GALVESTON TEXAS	MERSIN	U.S.	JAN 20-FEB 15,2011
	20,000	408.10	GALVESTON	TEKIRDAG	U.S.	JAN 20-

		(CFR)	TEXAS			FEB 15,2011
	20,000	409.11 (CFR)	GALVESTON TEXAS	BANDIRMA	U.S.	JAN 20- FEB 15,2011
ALFRED TOEPFER	20,000	394.97 (CFR)	GALVESTON TEXAS	IZMIR	U.S.	JAN 20- FEB 15,2011
	20,000	394.97 (CFR)	GALVESTON TEXAS	IZMIR	U.S.	JAN 20- FEB 15,2011
	20,000	394.97 (CFR)	GALVESTON TEXAS	IZMIR	U.S.	JAN 20- FEB 15,2011
ROMSPEE D	20,000	407.00 (CFR)	U.S GULF	MERSIN	U.S.	JAN 20- FEB 15,2011
	20,000	415.00 (CFR)	CONSTANTA	TEKIRDAG	U.S.	JAN 20- FEB 15,2011
	20,000	419.00 (CFR)	NOVOROSIYS K	SAMSUN	KAZAKHSTA N	JAN 20- FEB 15,2011
HAGE	20,000	394.00 (FOB)	ROSTOCK	TEKIRDAG	GERMANY	JAN 20- FEB 15,2011
NIBULON	20,000	400.00 (FOB)	NIKOLAEV	SAMSUN	UKRAINE	JAN 20- FEB 15,2011
TOTAL	300,000					
AVG.PRICE		401.47				